

Rent vs. Buy Decision Kit

Stop Guessing. Run Your Numbers.

HomesByRCG

Use this workbook to compare renting and buying with your own numbers.

Buying is not always the right move. Renting can be a strategic decision.

This guide is educational and not legal, tax, or financial advice.

Start With Your Situation

Worksheet:

- Current monthly rent: _____
- Other rental costs (parking, pet, fees): _____
- Lease expiration: _____
- Approximate savings: _____
- Monthly debt (range): _____
- Household income (range): _____
- Expected years in area: _____
- Housing priorities: _____

Can I Actually Afford to Buy?

What a lender might approve is different from what fits your life comfortably.

Comfort-budget worksheet:

- Take-home income: _____
- Existing debt obligations: _____
- Essential living costs: _____
- Savings/investing goals: _____
- Comfortable housing budget: _____

If a payment only works when everything goes perfectly, it may be too high.

The Real Cost of Renting

Capture full renting costs:

- Base rent
- Rent increases
- Parking and fees
- Renters insurance
- Utilities you pay
- Moving/renewal costs

Monthly total: _____ Annual total: _____

The Real Cost of Owning

Ownership includes more than the mortgage payment:

- Principal and interest
- Property taxes
- Homeowners insurance
- Mortgage insurance (if applicable)
- HOA (if applicable)
- Maintenance and repairs
- Utilities and service charges
- Closing costs

Monthly total: _____ Annual total: _____

Rent vs. Buy Side-by-Side Worksheet

KEEP RENTING vs BUY A HOME

- Monthly housing cost: _____ / _____
- Annual housing cost: _____ / _____
- Cash needed up front: _____ / _____
- Flexibility needs: _____ / _____
- Maintenance responsibility: _____ / _____

Use your own numbers. The best option is the one that fits your real life.

How Much Cash Might I Need?

Cash planning worksheet:

- Down payment: _____
- Closing costs: _____
- Inspection / due diligence: _____
- Moving costs: _____
- Initial repairs / furnishings: _____
- Emergency reserves after closing: _____

Total estimated cash needed: _____

Down payment is not the only cash consideration.

How Long Do I Plan to Stay?

Ownership horizon matters because transaction costs are real.

- <2 years: renting often remains more attractive
- 2-3 years: outcome varies; run conservative scenarios
- 3-5 years: ownership can improve depending on costs
- 5+ years: longer horizon may support ownership

Shorter ownership periods can make renting the stronger choice.

Understanding Equity

Equity can come from principal paydown and market movement.
Property values can rise or fall. Appreciation is never guaranteed.
Include selling costs in any future proceeds estimate.

Worksheet:

- Starting value: _____
- Loan balance after X years: _____
- Future value estimate: _____
- Selling costs estimate: _____
- Net equity estimate: _____

When Renting May Be the Better Decision

Renting can be a financial strategy not a failure.

Examples:

- Moving soon
- Employment/income uncertainty
- Insufficient emergency savings
- Buying would stretch the budget
- Need flexibility
- Ownership costs are high relative to rent
- Major life changes expected

When Buying May Make Sense

Examples:

- Stable income
- Adequate emergency reserves
- Comfortable monthly payment
- Longer ownership horizon
- Need/want housing stability
- Ready for maintenance responsibilities
- Fits broader financial goals

These are decision-quality signals, not mortgage qualification criteria.

My Housing Game Plan

KEEP RENTING

1) Track all housing costs. 2) Build reserves. 3) Reassess timeline.

PREPARE TO BUY

1) Set comfort budget. 2) Strengthen finances. 3) Review financing options.

EXPLORE BUYING

1) Compare realistic scenarios. 2) Review homes in-budget. 3) Get guidance.

Want to see what homes actually fit your numbers?

HomesByRCG homesbyrcg.com

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